

## TOWN OF CALMAR

### BYLAW 2020-15

**A BYLAW OF THE TOWN OF CALMAR** to establish an offsite levy for undeveloped properties in the Town of Calmar.

**WHEREAS** the *Municipal Government Act, R.S.A 2000, Chapter M-26* provides that a Council may pass a Bylaw for the imposition and payment of offsite levies in respect to lands that are to be developed or subdivided and to authorize agreements to be entered into in respect of the payment of the levies.

**AND WHEREAS** certain lands within the corporate boundaries of the Town of Calmar are proposed for subdivision or residential, commercial or industrial developments.

**AND WHEREAS** Council for the Town of Calmar requires an expenditure for capital costs for:

1. Water supply, transmission, treatment, storage and distribution facilities;
2. Sanitary sewage collection, treatment, movement and disposal facilities;
3. Roads required for or impacted by subdivision or development; and
4. Land required for or in connection with any facilities, as mentioned above,

because of current and future population growth occurring in the Town of Calmar.

**AND WHEREAS** the Town of Calmar engaged the firm of Corvus Business Advisors to prepare a report in respect of the fair and equitable calculation of offsite levies in accordance with the purposes of the Act.

**AND WHEREAS** the Town of Calmar has reviewed the report and wishes to enact this Bylaw to impose and provide for the payment of the offsite levies, to set out the object of each levy and to indicate how the amount of each levy was determined.

**AND WHEREAS** the Town of Calmar presently imposes and collects offsite levies.

**AND WHEREAS** Council has advertised its intention to consider the provisions of this Bylaw pursuant to Section 606 of the *Municipal Government Act*.

**NOW THEREFORE**, the Council of the Town of Calmar, in the Province of Alberta, duly assembled, hereby enacts as follows:

#### Short title

1. This Bylaw may be referred to as the "Offsite Levy Bylaw".

#### Definitions

2. For the purposes of this Bylaw, the following words shall be defined as follows:
  - (a) "Act" means the *Municipal Government Act, R.S.A 2000, chapter M-26*, and regulations passed pursuant to the Act;
  - (b) "Agreement" means an agreement as referred to in the Act in Section 648;
  - (c) "Applicant" means the person(s) who applies for subdivision or development approval;
  - (d) "Arterial Roadways" means roadways providing major circulation movements, generally spaced at 1600 metre intervals, both north/south and east/west;
  - (e) "Town Manager" means the Town Manager of the Town of Calmar and includes any person appointed as the designate for the Town Manager or any person appointed to act in the absence of the Town Manager;
  - (f) "Consumer Price Index" means the Consumer Price Index for Alberta as published by Statistics Canada;

- (g) "Council" means the Council of the Town of Calmar;
- (h) "Development" means any new residential use where none existed before or an increase in the number of residential units on a parcel, or any new or expanded commercial or industrial use;
- (i) "Development Area" means that area of a parcel of land that is to be developed pursuant to a Development Permit and, for greater certainty but without restricting the generality of the foregoing, includes that area of land to be used for the principal uses, accessory uses, parking, loading, vehicle access points, walkways, lighting, landscaping and fencing;
- (j) "Development Permit" means a permit issued in accordance with the Town of Calmar's Land Use Bylaw;
- (k) "Levy" means the offsite levy imposed and created by this Bylaw pursuant to the Act;
- (l) "Municipality" means the Town of Calmar or where the context requires, the area within the boundaries of the Town of Calmar;
- (m) "Parcel of Land" has the meaning provided for in Part 17 of the Act;
- (n) "Plan of Subdivision" has the meaning provided for in the Act;
- (o) "Subdivision" has the meaning provided for in the Act;
- (p) "Subdivision Area" means that area of a Parcel of Land, less environmental reserve, municipal reserve and land for Arterial Roadways that is the subject of a Subdivision and that is proposed for Development but does not include the remnant, if any;
- (q) "Subdivision Authority" means the person(s) or body appointed by Council pursuant to Section 623(1) of the Act;
- (r) "Town" means the municipal corporation of Calmar or where the context requires, the area within the boundaries of the Town.

#### **Establishment of Levy**

- 3. Levies are imposed upon land in the Town of Calmar that is to be subdivided or developed and for which no offsite levies have previously been paid.

#### **Object of Levy**

- 4. The object of the levy is to pay for all or part of the capital costs of any or all of the following:
  - (a) New or expanded facilities for the storage, transmission, treatment or supplying of water;
  - (b) New or expanded facilities for the treatment, movement or disposal of sanitary sewage;
  - (c) New or expanded storm sewer drainage facilities;
  - (d) New or expanded roads required for or impacted by a subdivision or development; and
  - (e) Land required for or in connection with any facilities described in (a) to (d) above,

as determined in the Offsite Levy Report, prepared by Corvus Business Advisors dated May 11, 2020, incorporated into this Bylaw as Schedule "C".

#### **Division into Areas**

- 5. For the purposes of imposing an offsite levy in accordance with the Act, the Town of Calmar is divided into 9 areas, as shown in Schedule "A".

#### **Amount of Levy**

- 6. The amount of the levies and method of determining the amount of the levies are set out in Schedule "B".

#### **Imposition of Levy**

- 7. (a) A Levy shall be imposed on a subdivision or development, as follows:
  - (i) A subdivision, before the date of subdivision endorsement, and
  - (ii) A development, before the date of issuance of a development permit.
- (b) Levies are deemed to have been imposed whether or not the imposition of the levies is made a specific condition of subdivision or development approval.

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### **Payment of Levy**

8. (a) A Levy shall be paid at the time of payment specified in Schedule "B".
- (b) Interest on any outstanding Levy shall be calculated from the time it is payable at Prime Rate plus 4%, compounded annually.
- (c) Any payment of a levy pursuant to this Bylaw, which is not made when due, shall be a debt owing to the Town by the Applicant. This provision does not in any way affect any other remedy available to the Town for late or non-payment of a Levy.
- (d) In addition to paragraph 8(c), where an Applicant fails neglects or refuses to pay the Levy imposed, the Town may refuse to register a Subdivision until the Applicant has paid the Levy.

### **Agreements**

9. The entering into a Development Agreement or Servicing Agreement in respect of payment of levies is hereby authorized.

### **Review of Levy Rates**

10. (a) The Town shall review the Levy rates and Levy projects on a regular basis.
- (b) After the review has been completed, the Town may amend this Bylaw to update the levy rates.

### **Annual Report**

11. The Town Administration shall report annually to Council regarding the levies in a format acceptable to the Town Manager.

### **Severability**

12. In the event that any provision of this Bylaw is found to be contrary to law by any Court of competent jurisdictions, then that provision shall be severed and the remainder of the Bylaw shall be of full force and effect.

### **Transition**

13. This Bylaw applies to:
  - (a) Any Subdivision where the date of Subdivision approval occurs on or after the date this Bylaw comes into force; and
  - (b) Any Development where the date of issuance of a Development Permit occurs on or after the date this Bylaw comes into force.

### **General**

14. Nothing in this Bylaw precludes the Town from:
  - (a) Imposing further or different offsite levies, duly enacted by Bylaw, on any land in respect of which the Town has not collected the offsite levies imposed under this Bylaw or any previous offsite levy bylaw authorized by statute; or
  - (b) Adopting policies, procedures or guidelines for the assistance and direction of the Town Administration with respect to the implementation of this Bylaw.

### **Repeal**

15. Bylaw 2017-08 is hereby repealed.

### **Enactment**

16. This Bylaw shall come into effect on the day that it is passed.

### **Schedules**


17. Schedules "A", "B" and "C" form part of this Bylaw.

**Rules of Interpretation**

18. The headings in this Bylaw are for reference purposes only and do not form part of the Bylaw.

**READ a first time this 15<sup>th</sup> day of June, 2020**


  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Town Manager, C.G.M

**READ a second time this 20<sup>th</sup> day of July, 2020**

**READ third time this 20<sup>th</sup> day of July, 2020**

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Town Manager, C.G.M

**This Bylaw signed the 20<sup>th</sup> day of July, 2020**



## Offsite Levy Areas

Schedule "B"

Summary of Offsite Levies by Area<sup>1</sup>

| Area # | Transportation Levies | Water Levies | Sanitary Levies | Total      |
|--------|-----------------------|--------------|-----------------|------------|
| 1.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 1.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 1.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 1.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 1.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 2.1    | \$ 38,157             | \$ 27,683    | \$ 67,589       | \$ 133,429 |
| 2.2    | \$ 38,157             | \$ 13,841    | \$ 33,795       | \$ 85,793  |
| 2.3    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 2.4    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 2.5    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 3.1    | \$ 38,157             | \$ 27,683    | \$ 67,589       | \$ 133,429 |
| 3.2    | \$ 38,157             | \$ 13,841    | \$ 33,795       | \$ 85,793  |
| 3.3    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
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| 3.5    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
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| 4.2    | \$ 38,157             | \$ 13,841    | \$ 33,795       | \$ 85,793  |
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| 7.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 7.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 7.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 8.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 8.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
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| 9.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |

<sup>1</sup> Offsite Levy Areas marked X.1 denote commercial development. Areas marked X.2 denote industrial development. Areas marked X.3 denote residential low density development. Areas marked X.4 denote residential medium & high density development. Areas marked X.5 denote other development.

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## SCHEDULE "C"



### Town of Calmar: Offsite Levy Rate Update

Version 1  
May 11<sup>th</sup>, 2020

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**Prepared by:**  
Greg Weiss, President  
CORVUS Business Advisors  
9670 – 95 Avenue  
Edmonton, AB T6C 2A4  
(780) 428-4110  
[gweiss@corvusbusinessadvisors.com](mailto:gweiss@corvusbusinessadvisors.com)  
[www.corvusbusinessadvisors.com](http://www.corvusbusinessadvisors.com)

This document has been prepared by CORVUS Business Advisors for the sole purpose and exclusive use of the  
Town of Calmar.

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May 11<sup>th</sup>, 2020

Town of Calmar  
Box 750, 4901-50th Ave  
Calmar, Alberta  
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## **RE: Town of Calmar Offsite Levy Rate Update**

Enclosed is our report summarizing the Town's recent update to offsite levy rates. Rates have increased from an average of approximately \$71,300 per ha. to an average of approximately \$95,700 per ha. The rate increase stems primarily from:

1. The Town's last model update was undertaken several years ago (effective end-2015). If rates are updated more frequently, increases/decreases are generally smaller.
2. Costs attributed to future development within the 25-year review period increase each year as project construction moves closer in time. The previous 25-year review period spanned from 2016 to 2040. The new 25-year period spans from 2020 to 2044. Accordingly, costs previously ascribed to the 2041 to 2044 timeframe are now included in rates. Overall, costs within the 25-year review period increased 15% from \$6.76 million to \$7.77 million. An increase in costs puts upward pressure on rates all other things being equal.
3. The pace of development has been slower than anticipated in Calmar. Accordingly, Town staff have decreased the forecast of land development within the 25-year review period from 96 ha. to 80 ha., a decrease of 17%. A decrease in forecast land development puts upward pressure on rates all other things being equal.

While the resulting increase may not be viewed positively by some stakeholders, the new rates reflect the realities of the Town (costs and development pace). Most importantly, the new rates ensure the Town does not under collect from developers thereby burdening tax payers with uncollected costs.

If you have any questions, do not hesitate to contact me.

Respectfully,

A handwritten signature in dark ink, appearing to read "Greg Weiss", followed by a long horizontal line.

Greg Weiss  
President

Handwritten initials "WJ" and "KK" in blue ink.



## 1 DOCUMENT INFORMATION

| Version |                             |                               |
|---------|-----------------------------|-------------------------------|
| Number  | Revision Date               | Summary of Changes and Author |
| 1.0     | May 11 <sup>th</sup> , 2020 | Final                         |
|         |                             |                               |
|         |                             |                               |
|         |                             |                               |

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### 3 INTRODUCTION

#### 3.1 Introduction

Bylaw 2017-08, established by the Town of Calmar ("the Town") in 2017 defines offsite levy charges pertaining to water, sanitary and transportation infrastructure for the municipality. The Town wishes to update this bylaw ensuring updated costs and development forecasts are reflected fairly and equitably in new rates to ensure a financially sustainable community.

This report outlines the methodology and information used in establishing transportation, water, and sanitary offsite levy rates for the Town, as well as other key findings and recommendations.

#### 3.2 Methodology

The Town of Calmar has various infrastructure master plans/capital plan in place, and these plans have been used as key inputs into this offsite levy rate review. Town staff reviewed existing plans and verified offsite projects for transportation, water, and sanitary infrastructure<sup>1&2</sup>. The Town's review also included verification of benefits to existing development, future development, and benefiting areas.

Support provided by CORVUS Business Advisors included:

- Provision of the newest CORVUS offsite levy model.
- Transfer of data from the Town's current offsite levy model to the new model, including configuration, priming, and data loading (new data provided by Town staff).
- Incorporation of offsite levy area measurements and land development forecasts (provided by Town staff).
- Reconciliation of offsite levy reserve balances (data provided by Town staff).
- Development of transportation, water, and sanitary offsite levy rates.
- Preparation of the offsite levy report.

Offsite levy rates within the CORVUS offsite levy model are forecast using a rolling 25-year review period. During this review, a cut-off date of December 31<sup>st</sup>, 2019 was established, and so the review period stems from **2020 to 2044**. The cut-off date coincides with the Town's most recent year-end. Project expenditures, offsite levy receipts etc. were gathered as "actuals" from the Town's financial records up to the cut-off date. Beyond the cut-off date, all financial details are estimates. When the Town completes its next rate update, information from January 1<sup>st</sup>, 2020 up to the new cut-off date will be converted from

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<sup>1</sup> It was not within CORVUS' scope of work to review the Town's infrastructure plans. Infrastructure plans were verified by Town staff.

<sup>2</sup> Currently, all stormwater infrastructure in the Town is "onsite" in nature and, therefore, was not included in the scope of this analysis. Should the Town add offsite stormwater infrastructure to its capital plans in the future, the offsite levy model and bylaw can be amended during one of the annual updates to include stormwater charges.

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estimates to actuals.

Costs that benefit development prior to and within the review period are included in rates. Costs that benefit development beyond the review period (called "financial oversizing") are excluded from rates. In future years, when rates are updated and the rolling 25-year period moves further out, offsite infrastructure costs beyond 2044 (i.e., beyond the current review period) will gradually find their way into rates.

## 4 KEY FINDINGS

Key findings pertaining to the establishment of Town offsite levy rates are as follows:

- Offsite infrastructure costs to be included in the offsite levy bylaw total approximately **\$24.26 million**. An overview of offsite infrastructure costs and maps is provided in Appendices B1, C1, and D1.

Before determining how the infrastructure costs will be allocated to parties that benefit (e.g., existing development, new development, other municipalities etc.), financing provided by way of special ear-marked grants and other contributions are deducted from offsite infrastructure costs. For this review, the Town has identified approximately **\$6.39 million** in grants and contributions. An overview of grants and contributions and resulting net costs is provided in Appendices B2, C2, and D2.

The share allocated to existing development (the Town's share) is approximately **\$4.95 million**.

That portion of cost which is allocated to future development totals approximately **\$12.92 million** and is based on the allocations shown in Appendices B4, C4, and D4. However, a portion of the cost allocated to future development is beyond the 25-year review period (called "financial oversizing"). Financial oversizing is determined based on the anticipated year of construction (construction staging) which is provided in Appendices B3, C3, and D3.

Of the **\$12.92 million** in total offsite infrastructure costs allocated to future development, the share allocated to future development that is included in rates today (the offsite levy share) is approximately **\$7.77 million**, as shown in the table below. This is an increase of 15% from \$6.76 million when the Town last completed a rate update end-2015. An increase in costs attributed to future development within the 25-year review period puts upward pressure on rates all other things being equal. A complete summary of offsite infrastructure net cost "flow-thru" is provided in Appendices B6, C6, and D6.

Summary of Infrastructure Costs & Allocations

| Infrastructure | Special Grants & Contributions | Muni Share of Costs | Developer Cost Beyond 25 Yrs (Financial Oversizing) | Developer Costs (In Rates) | Total Costs   |
|----------------|--------------------------------|---------------------|---|----------------------------|---------------|
| Transportation | \$ -                           | \$ 4,950,000        | \$ 3,154,800  | \$ 2,895,200               | \$ 11,000,000 |
| Water          | \$ 3,456,374                   | \$ -                | \$ 702,000  | \$ 1,355,010               | \$ 5,513,384  |
| Sanitary       | \$ 2,933,996                   | \$ -                | \$ 1,290,000  | \$ 3,523,996               | \$ 7,747,993  |
| Total          | \$ 6,390,370                   | \$ 4,950,000        | \$ 5,146,800  | \$ 7,774,207               | \$ 24,261,376 |

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Before allocating infrastructure costs to benefitting lands, offsite levy costs must be reduced by the amount of levies collected to date. Up to December 31<sup>st</sup>, 2019, the Town has collected **\$512,166** as shown in Appendices B5, C5, and D5.

- To facilitate the allocation of infrastructure costs to those lands that benefit from the infrastructure, the Town is parsed into **9** offsite levy areas. The area boundaries, numbering schema, and area measurements are described in Appendix A along with an offsite levy map; and, an overview of offsite infrastructure allocations to each benefitting area is provided in Appendices B7, C7, and D7.
- To calculate offsite levy rates, it is necessary to forecast the amount of land that will develop during the 25-year review period. Land development forms the denominator of the rate calculation. A larger denominator reduces rates but could potentially result in under-collection thereby placing an increased burden on tax payers. A smaller denominator increases rates but could potentially result in over-collection thereby placing an increased burden on future development. Accordingly, land development forecasts need to be: (a) reasonable and reflect current planning assumptions including the current pace of development in the community, and (b) updated regularly.

For this review, the Town is forecasting development of approximately **80 ha.** over the 25-year review period. This is a decrease of 17% from 96 ha. when the Town last completed a rate update end-2015. A decrease in development within the 25-year review period puts upward pressure on rates all other things being equal. The land development forecast is shown in Appendix A.

- **Offsite Levy Reserves.** The Town is managing offsite levy receipts and withdrawals via three reserves/accounts (one for each infrastructure type) in alignment with MGA requirements. The reason this is a requirement is because offsite levies can only be used to fund the type of infrastructure for which they were collected (e.g., water levies can only be used to construct water offsite infrastructure, not sanitary infrastructure etc.). An overview of reserve/account reconciliations from 2016 to 2019 are shown in Appendices B8, C8, and D8.
- **Interest.** Offsite levy reserves/accounts (both actual and forecast) are impacted by interest. Actual reserve inflows and forecast reserve balances that are in a positive position earn interest (as required by the MGA). Actual reserve outflows and forecast reserve balances that are in a negative position are charged interest (forecast balances that are negative indicate that front-ending will be required).

An overview of reserve/account interest rates and forecast balances over the 25-year review period is shown in Appendices B9, C9, and D9.

- **Front-ending.** Front-ending is an extremely important concept that underpins rigorous management of offsite levies. Front-ending represents debts owed by future development to the municipality for past construction undertaken by the municipality on behalf of future development—i.e., a municipality will often pay for its share of an offsite infrastructure project in addition to that portion of the project which benefits future development when offsite levy reserve balances are insufficient to pay for future development's share of the project.

Because front-ending balances represent debts owed to the municipality, they need

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to be clearly reflected in official municipal documents such as levy account/reserve balances, financial statements (e.g., front-ending notes), or accounts receivables, etc. This documentation enables the municipality to collect on these debts as future development occurs, and offsite levies are collected.

For example, at end 2019 there is front-ending debt of **\$(246,242)** due to the Town from the water offsite levy reserve. Any excess funds in the water reserve should be withdrawn immediately and transferred to the Town's General Revenue account, thereby paying down developer debts owed to the Town.

A complete reconciliation of reserve balances for each of the 3 reserves/accounts is provided in Appendices B8, C8, and D8

## 5 RATES

For future development to pay for its share of the **\$24.26 million** infrastructure costs in the Town, rates are approximately **\$95,700** per net hectare on a weighted average basis, with rates differing by development type as shown in tables below. This rate is similar to other municipalities of similar size in Alberta (a comparison of rates to other municipalities is outlined in Appendix F). Most importantly, these rates reflect the actual cost of infrastructure required to facilitate development in the Town.

Offsite Levy Rates: Highs, Lows, and Averages<sup>3</sup>

|                  | Transportation Charges | Water Charges | Sanitary Charges | Total      |
|------------------|------------------------|---------------|------------------|------------|
| High             | \$ 38,157              | \$ 27,683     | \$ 67,589        | \$ 133,429 |
| Low              | \$ 38,157              | \$ 5,814      | \$ 33,795        | \$ 77,766  |
| Weighted Average | \$ 38,157              | \$ 12,502     | \$ 45,060        | \$ 95,718  |

<sup>3</sup> Highs, Lows, and Averages are shown for information purposes only. Developers pay the actual rate applicable to their specific development area and development type.

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Summary of Offsite Levies by Area<sup>4</sup>

| Area # | Transportation Levies | Water Levies | Sanitary Levies | Total      |
|--------|-----------------------|--------------|-----------------|------------|
| 1.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
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| 3.3    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 3.4    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 3.5    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 4.1    | \$ 38,157             | \$ 27,683    | \$ 67,589       | \$ 133,429 |
| 4.2    | \$ 38,157             | \$ 13,841    | \$ 33,795       | \$ 85,793  |
| 4.3    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 4.4    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 4.5    | \$ 38,157             | \$ 18,455    | \$ 45,060       | \$ 101,671 |
| 5.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 5.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 5.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 5.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 5.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 6.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 6.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 6.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 6.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 6.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 7.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 7.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 7.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 7.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 7.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 8.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 8.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 8.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 8.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 8.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 9.1    | \$ 38,157             | \$ 11,628    | \$ 67,589       | \$ 117,375 |
| 9.2    | \$ 38,157             | \$ 5,814     | \$ 33,795       | \$ 77,766  |
| 9.3    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 9.4    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |
| 9.5    | \$ 38,157             | \$ 7,752     | \$ 45,060       | \$ 90,969  |

<sup>4</sup> Offsite Levy Areas marked X.1 denote commercial development. Areas marked X.2 denote industrial development. Areas marked X.3 denote residential low density development. Areas marked X.4 denote residential medium & high density development. Areas marked X.5 denote other development.

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## 6 RECOMMENDATIONS

CORVUS recommends the following:

1. Implement the offsite levy rates outlined in Section 5.
2. Ensure offsite levy rates are updated annually and accompanied by a report to Council. In addition to enabling compliance with the Town's bylaw and MGA requirements, regular updates ensure offsite levy rates do not "decay", and Council is apprised regularly of the status of changes, reserves balances, etc.
3. Amend Town reserve/account balances as reflected in Appendices B8: \$(246,242), C8: \$109,073, and D8: \$46,697. In so doing, any excess funds in these accounts should be transferred to general revenues.
4. Update offsite levy reserve/account balances annually (and financial statements, and other internal documentation) to reflect the true balance, including front-ending.
5. During the reconciliation of future reserve balances, the interest earning and charge rates that underpin the offsite levy bylaw for that time period should be used to determine reserve interest impacts. This is outlined in the offsite levy model user guide and instructions for the annual rate update.
6. Develop an offsite levy policy framework to aide in effective implementation of the bylaw. There are about a dozen policy areas for which the MGA provides no guidance, but the Town will require clarity on to effectively implement the bylaw.
7. Undertake a water and sanitary utility rates study to enable sustainable funding of the Town's share of offsite infrastructure projects. Current utility rates should be brought current and in alignment with current master plans and offsite levy financing summarized in this report, etc.

## 7 ACKNOWLEDGEMENTS

CORVUS Business Advisors would like to thank all Town of Calmar who supported the work of this review.

## 8 DISCLAIMER

CORVUS Business Advisor has relied upon the Town of Calmar (and its engineering and other advisors) to provide all the data and information used to construct the offsite levy model and create the rates, such as planning data and assumptions, development forecasts and assumptions, infrastructure costs and costs estimates, allocations to benefitting parties, allocation to benefitting areas, and other assumptions etc. As such, CORVUS Business Advisors makes no guarantee as to the accuracy of the input data and information provided by these groups or the results that stem from this data and information.

Offsite levy rates are not intended to stay static; they are based upon educated assumptions and the best available information of the day. Planning assumptions, cost estimates etc. can



change each year. Accordingly, the Municipal Government Act requires that offsite levy rates be updated with the most available information on a regular basis (usually annually). When information changes, it will be reflected in a future update, and rates adjusted accordingly.

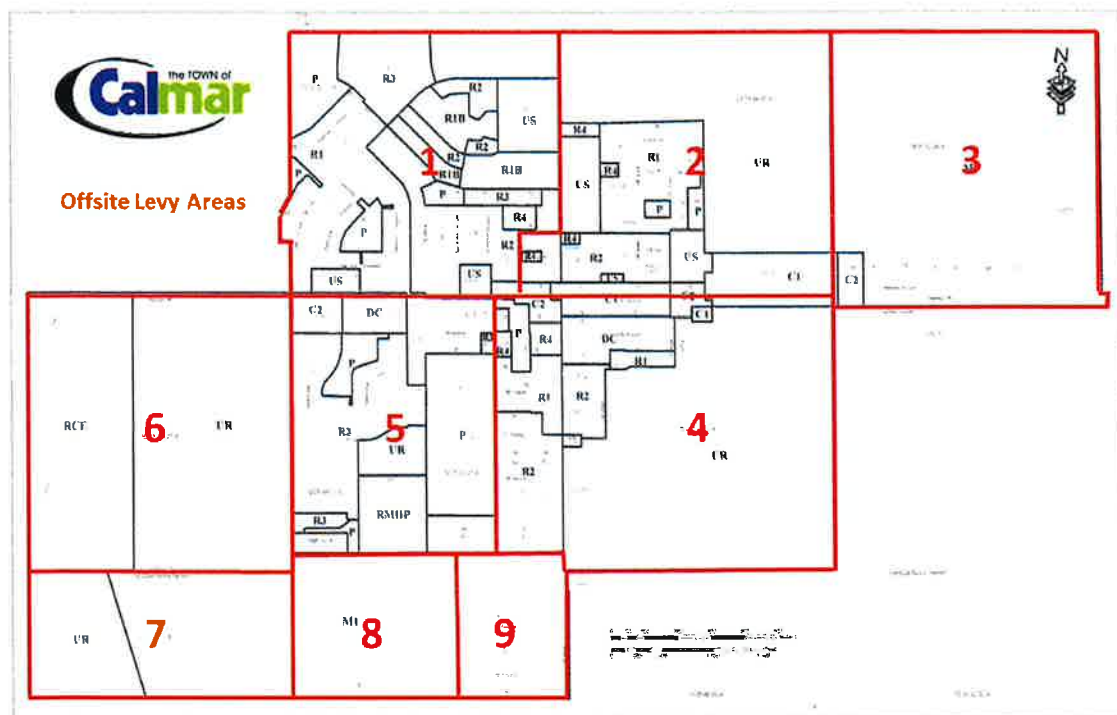
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## APPENDIX A: OFFSITE LEVY AREAS AND STAGING

### A1. Offsite Levy Areas

The Town is parsed into 9 offsite levy areas, as shown in the map below. The 9 areas are generally about a quarter section in size but also take into consideration existing/planned infrastructure basins (i.e., transportation, water, sanitary) as well as natural and man-made barriers (e.g., rivers, highways, etc.). All offsite levy infrastructure costs are allocated to one or more areas.

Offsite Levy Areas



Total net development area, the amount of land available for development across all offsite levy areas, was approximately **217.65 net ha.** when the model was established end-2015. In calculating net development area only those lands remaining to be developed that have not previously paid offsite levies were considered (as required by legislation/regulation). Further, allowances were made to net development area calculations for environmental reserves, municipal reserves, and arterial road right of way. Of the **217.65 ha.** available for development, **7.36 ha.** of land developed from **2016 to 2019.**

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Town of Calmar Offsite Levy Rate Update

Offsite Levy Net Development Area<sup>5</sup>

| Area Ref. # | Development Area Location                  | Gross Area (ha.) | Environmental Reserves (ha.) | Sub-total | Municipal Reserves | Arterial Right of Way | Net Development Area (ha.) | Area Developed to Date (ha.) |
|-------------|--|------------------|------------------------------|-----------|--------------------|-----------------------|----------------------------|------------------------------|
| 1.5         | SE36 49-27-4 (Old Area 1 & 10 + existing)  | 18.36            | -                            | 18.36     | 1.84               | 0.14                  | 16.38                      | -                            |
| 2.5         | SW31 49-26-4 (Old Areas 2 & 11 + existing) | 41.99            | -                            | 41.99     | 4.20               | 0.27                  | 37.52                      | -                            |
| 3.5         | SE31 49-26-4 (Old Area 3 + existing)       | 55.46            | -                            | 55.46     | 5.55               | -                     | 49.91                      | -                            |
| 4.5         | NW30 49-26-4 (Old Areas 7 & 8 + existing)  | 54.73            | -                            | 54.73     | 5.47               | 1.30                  | 47.96                      | -                            |
| 5.5         | NE25 49-27-4 (Old Areas 6 & 12 + existing) | 8.18             | -                            | 8.18      | 0.82               | -                     | 7.36                       | 7.36                         |
| 6.5         | NW25 49-27-4 (Old Areas 4 & 5 + existing)  | 46.25            | -                            | 46.25     | 4.63               | 2.18                  | 39.45                      | -                            |
| 7.5         | SW25 49-27-4 (Old Area 9 + existing)       | 21.18            | -                            | 21.18     | 2.12               | -                     | 19.06                      | -                            |
| 8.5         | SE25 49-27-4 (existing)                    | -                | -                            | -         | -                  | -                     | -                          | -                            |
| 9.5         | SE25 49-27-4 (existing)                    | -                | -                            | -         | -                  | -                     | -                          | -                            |
|             |  | 246.15           | -                            | 246.15    | 24.62              | 3.89                  | 217.65                     | 7.36                         |

<sup>5</sup> The Town's offsite levy model is configured to include 5 land use types: (1) commercial (X.1), (2) industrial (X.2), (3) residential low density (X.3), (4) residential medium and high density (X.4), and (5) other (X.5). For ease of administration all lands are designated "other" (e.g., 1.5, 2.5, etc.).

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Summary of Offsite Levy Net Development Area

| Description              | ha.    |
|--------------------------|--------|
| Gross Development Area   | 246.15 |
| Less Environment Reserve | -      |
| Less Municipal Reserve   | 24.62  |
| Less ROW Allowance       | 3.89   |
| Net Development Area     | 217.65 |

\*Note: 1 Hectare (ha.) = ~2.47 Acres

Net development area definitions will be applied in determining offsite levy obligations of developers on application for subdivision or development within the Town of Calmar. Net development area is defined as follows:

- Gross Area – The area of lands to be developed in hectares that have not previously paid an offsite levy.
  - Less: Any environmental reserves contained within the development area.
  - Less: A 10% allowance for Municipal Reserves.
  - Less: Arterial road right of way that bisects the development lands.
- Equals: Net Developable Area, which is the area subject to offsite levies.

## A2. Development Staging

A rate planning period of 25-years underpins the offsite levy model and rate calculations. Many municipalities use this planning period as it provides a reasonable timeframe to recoup the costs associated with offsite levy infrastructure construction, and it aligns with the timeframes of many municipal capital planning and construction cycles.

Of the 217.65 net ha. of development area available across all offsite levy development areas, planners estimate that approximately **80 ha. (37%)** will develop during the next 25-years (the rate planning period) as shown in the tables below. This is a decrease of **17%** from **96 ha.** when the Town last completed a rate update end-2015.

Summary of Anticipated Development during the 25-year Rate Planning Period

|                               |        |       |
|-------------------------------|--------|-------|
| Developed Since Model Created | 7.36   | 3.4%  |
| Developed In Next 25 Years    | 80.00  | 36.8% |
| Developed Beyond 25 Years     | 130.29 | 59.9% |
| Net Development Area          | 217.65 |       |

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Town of Calmar Offsite Levy Rate Update

Anticipated Development During the 25-year Rate Planning Period

| Area Ref. # | Area Developed in Next 25 years (Net ha.) | 2020 | 2021 | 2022 | 2023  | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 |
|-------------|---|------|------|------|-------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1.5         | 9,000                                     | -    | -    | -    | -     | -    | -    | 1.00 | -    | 4.00 | 4.00 | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 2.5         | 14,000                                    | -    | -    | 2.00 | -     | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | -    | -    | -    | -    |
| 3.5         | -   | -    | -    | -    | -     | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 4.5         | 21,500                                    | -    | -    | -    | 4.00  | -    | 4.00 | -    | -    | -    | -    | -    | -    | -    | -    | 1.50 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | -    | -    | -    | -    |
| 5.5         | -   | -    | -    | -    | -     | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 6.5         | 19,000                                    | -    | 2.00 | 2.00 | 4.00  | 4.00 | -    | 4.00 | 3.00 | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 7.5         | 16,500                                    | -    | -    | 2.00 | 4.00  | 4.00 | 4.00 | 2.50 | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 8.5         | -   | -    | -    | -    | -     | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
| 8.5         | -   | -    | -    | -    | -     | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |
|             | 80.00                                     | -    | 2.00 | 6.00 | 12.00 | 8.00 | 8.00 | 7.50 | 3.00 | 4.00 | 4.00 | -    | -    | -    | -    | 1.50 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | -    | -    | -    | -    |

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### A3. Service Demand Factors

The Town distinguishes differential benefit (use) of the water and sanitary infrastructure as highlighted in the table below.

| Land Use    | Demand Factor<br>Transportation | Demand Factor<br>Water | Demand Factor<br>Sanitary |
|-------------|---------------------------------|------------------------|---------------------------|
| Commercial  | 1.00                            | 1.50                   | 1.50                      |
| Industrial  | 1.00                            | 0.75                   | 0.75                      |
| Residential | 1.00                            | 1.00                   | 1.00                      |

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## APPENDIX B: WATER OFFSITE INFRASTRUCTURE

### B1. Water Offsite Infrastructure Costs

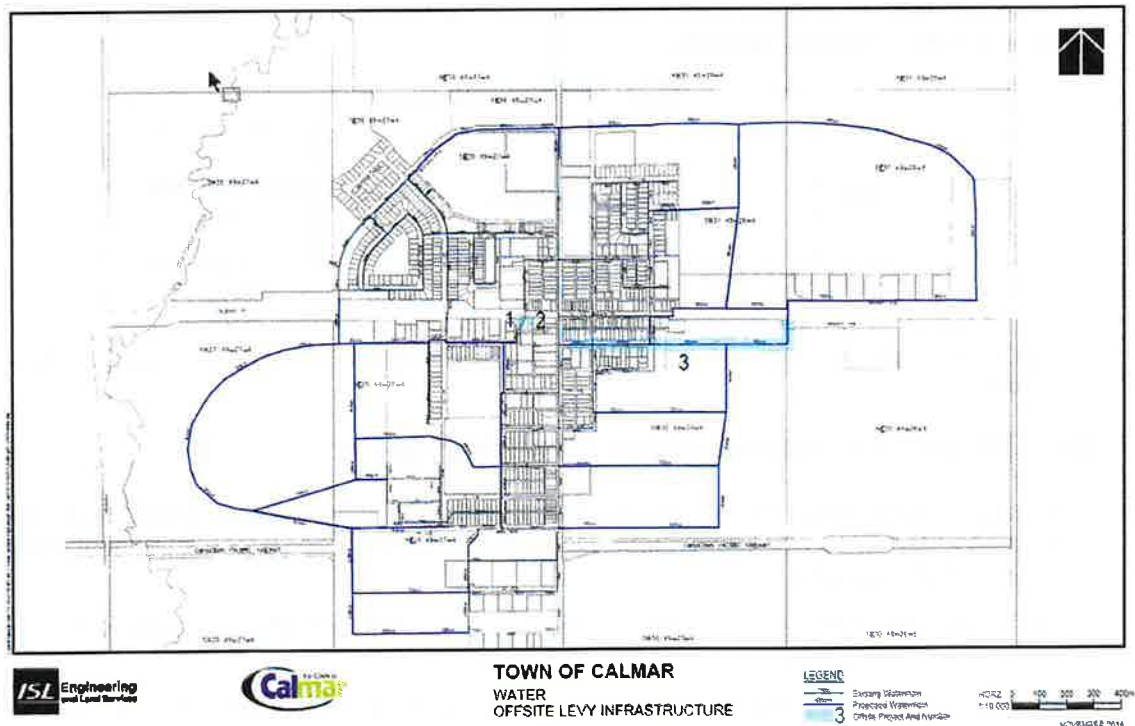
To support future growth, water offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$5.51 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by Town staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support future development during the 25-year review period. The remainder of this section outlines how the “net” costs for future development are determined.

#### Summary of Water Offsite Infrastructure

| Item | Project Description               | Total Project Estimated Cost | Special Provincial Grants | Developer Agreement Contributions | Reduced Project Estimated Cost |
|------|-----------------------------------|------------------------------|---------------------------|-----------------------------------|--------------------------------|
| 1    | Water Reservoir Expansion (2009)  | \$ 2,463,384                 | \$ 1,881,374              | \$ -                              | \$ 582,010                     |
| 2    | Water Reservoir Expansion (2036)  | \$ 2,500,000                 | \$ 1,575,000              | \$ -                              | \$ 925,000                     |
| 3    | Loop main - 400mm - west internal | \$ 550,000                   | \$ -                      | \$ -                              | \$ 550,000                     |
|      |                                   | <b>\$ 5,513,384</b>          | <b>\$ 3,456,374</b>       | <b>\$ -</b>                       | <b>\$ 2,057,010</b>            |

A map showing the location of this infrastructure is shown below.

#### Location of Water Offsite Infrastructure



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## B2. Water Offsite Infrastructure Grants & Contributions to Date

The MGA enables the Town to allocate the costs of offsite infrastructure to future development, other than those costs that have been provided by way of special grant or contribution (i.e., contributed infrastructure). The Town of Calmar has/will receive approximately **\$3.46 million** in special grants and contributions for water offsite levy infrastructure as shown in the table below (note, if the Town receives other grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$2.06 million**.

### Special Grants and Contributions for Water Offsite Infrastructure

| Item | Project Description               | Total Project Estimated Cost | Special Provincial Grants | Developer Agreement Contributions | Reduced Project Estimated Cost |
|------|-----------------------------------|------------------------------|---------------------------|-----------------------------------|--------------------------------|
| 1    | Water Reservoir Expansion (2009)  | \$ 2,463,384                 | \$ 1,881,374              | \$ -                              | \$ 582,010                     |
| 2    | Water Reservoir Expansion (2036)  | \$ 2,500,000                 | \$ 1,575,000              | \$ -                              | \$ 925,000                     |
| 3    | Loop main - 400mm - west internal | \$ 550,000                   | \$ -                      | \$ -                              | \$ 550,000                     |
|      |                                   | <b>\$ 5,513,384</b>          | <b>\$ 3,456,374</b>       | <b>\$ -</b>                       | <b>\$ 2,057,010</b>            |

\*The Town anticipates receiving a grant of 63% for Project 2.

## B3. Water Infrastructure Staging

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The Town anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the Town's annual rate/bylaw updates.

### Water Infrastructure Staging

| Item | Project Description               | Construction Start Year |
|------|-----------------------------------|-------------------------|
| 1    | Water Reservoir Expansion (2009)  | 2009                    |
| 2    | Water Reservoir Expansion (2036)  | 2036                    |
| 3    | Loop main - 400mm - west internal | 2025                    |

\*Project costs are inflated by 2% per annum for the first 3-years and 3% per annum thereafter to the year of construction.

## B4. Water Offsite Infrastructure Benefiting Parties

The water offsite infrastructure previously outlined will benefit various parties to varying degrees as determined by Town's staff. During this review three potential benefiting parties were identified including:

- Town of Calmar – a portion of the water infrastructure which is required to service existing residents.
- Financial Oversizing – that portion of cost which benefits future development beyond

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the 25-year review period.

- Town of Calmar Future Development – all growth related infrastructure (i.e., levyable water infrastructure costs) during the 25-year rate planning period.

The table below outlines the allocation of water offsite levy infrastructure costs to benefiting parties. Project allocations were determined by Town staff.

Allocation of Water Infrastructure to Benefiting Parties

| Item | Project Description               | Reduced Project Estimated Cost | Muni Share % | Developer Share Beyond 25 Yrs (Financial Oversizing %) | OSL / Developer Share % |
|------|-----------------------------------|--------------------------------|--------------|--|-------------------------|
| 1    | Water Reservoir Expansion (2009)  | \$ 582,010                     |              | 0.0%   | 100.0%                  |
| 2    | Water Reservoir Expansion (2036)  | \$ 925,000                     |              | 64.0%  | 36.0%                   |
| 3    | Loop main - 400mm - west internal | \$ 550,000                     |              | 20.0%  | 80.0%                   |
|      |                                   | <b>\$ 2,057,010</b>            |              |  |                         |

\*Allocations were determined by the Town.

\*\*Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations.

## B5. Existing Receipts & Adjusted Levy Cost

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$1.36 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. The Town has collected **\$196,804** in offsite levies to date. This results in an adjusted offsite levy cost of approximately **\$1.16 million**.

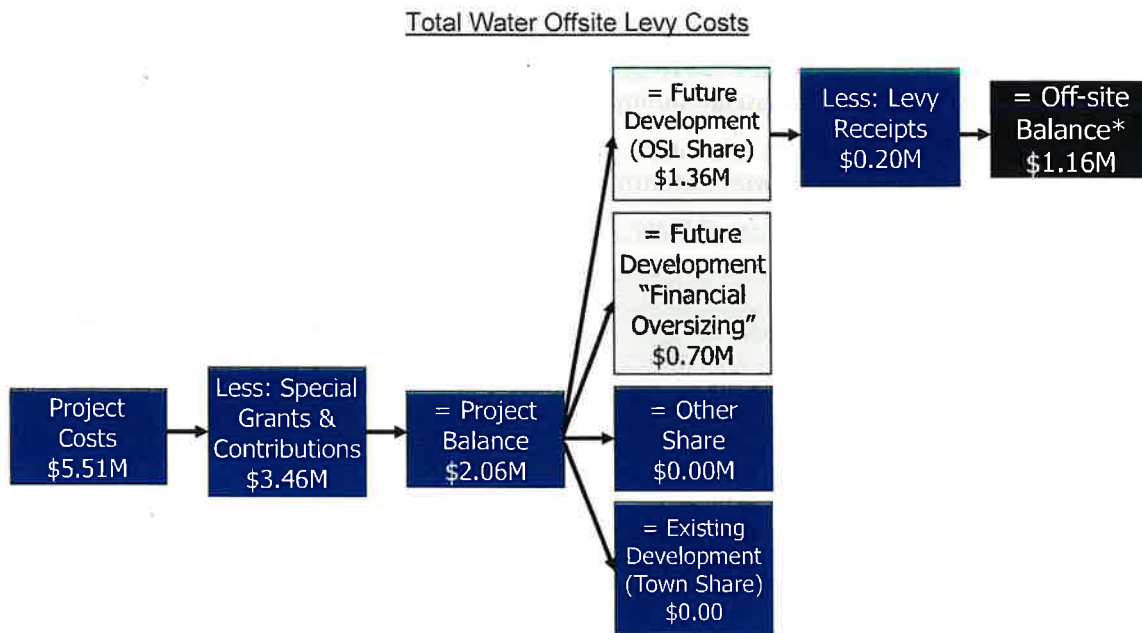
Offsite Levy Funds Collected to Date & Adjusted Levy Cost

| Item | Project Description               | OSL / Developer Cost | Offsite Levy Funds Collected to Dec 31, 2015 | Offsite Levy Funds Collected Starting Jan 1, 2016 | Adjusted Developer (Levy) Cost |
|------|-----------------------------------|----------------------|--|---|--------------------------------|
| 1    | Water Reservoir Expansion (2009)  | \$ 582,010           | \$ 153,475                                   | \$ 30,933   | \$ 397,602                     |
| 2    | Water Reservoir Expansion (2036)  | \$ 333,000           | \$ -   | \$ 12,396   | \$ 320,604                     |
| 3    | Loop main - 400mm - west internal | \$ 440,000           | \$ -   | \$ -  | \$ 440,000                     |
|      |                                   | <b>\$ 1,355,010</b>  | <b>\$ 153,475</b>                            | <b>\$ 43,328</b>                                  | <b>\$ 1,158,206</b>            |

## B6. Summary of Water Offsite Levy Cost Flow-through

As shown in the figure below, the total cost for water infrastructure that forms the basis of the rate is approximately **\$1.16 million**. The cost allocations to each benefiting party are based on the benefiting percentages shown in Section B4. The offsite levy balance (due from developers) is allocated to various benefiting areas (as described in the next section).

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## B7. Water Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a "1" below applicable area numbers. Benefiting areas were determined by Town staff and their engineering advisors. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Benefiting Areas for Water Offsite Infrastructure

| Item | Project Description               | Developer Cost      | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 | 2.1 | 2.2 | 2.3 | 2.4 | 2.5 | 3.1 | 3.2 | 3.3 | 3.4 | 3.5 | 4.1 | 4.2 | 4.3 | 4.4 | 4.5 |
|------|-----------------------------------|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Water Reservoir Expansion (2009)  | \$ 397,602          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | Water Reservoir Expansion (2036)  | \$ 320,604          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 3    | Loop main - 400mm - west internal | \$ 440,000          |     |     |     |     |     | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
|      |                                   | <b>\$ 1,158,206</b> |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

| Item | Project Description               | Developer Cost      | 5.1 | 5.2 | 5.3 | 5.4 | 5.5 | 6.1 | 6.2 | 6.3 | 6.4 | 6.5 | 7.1 | 7.2 | 7.3 | 7.4 | 7.5 | 8.1 | 8.2 | 8.3 | 8.4 | 8.5 | 9.1 | 9.2 | 9.3 | 9.4 | 9.5 |
|------|-----------------------------------|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Water Reservoir Expansion (2009)  | \$ 397,602          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | Water Reservoir Expansion (2036)  | \$ 320,604          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 3    | Loop main - 400mm - west internal | \$ 440,000          |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
|      |                                   | <b>\$ 1,158,206</b> |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

## B8. Reserve Balance

At December 31<sup>st</sup>, 2019, the balance of the Town's water reserve is **\$(246,242)** as shown in the table below. This amount takes into consideration expenditures up to end-2019 and assumes that front-ending debts (if any) will be drawn down via a withdrawal of excess cash in the reserve/account.

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Water Offsite Levy Reserve Balance

|   |              |               |                 |
|---|--------------|---------------|-----------------|
| <b>Opening Balance</b>  |              |               | \$ 26,867.50    |
| <b>2016</b>   |              |               | \$ 26,867.50    |
| Interest on Opening Balance   | \$ 268.67    |               | \$ 27,136.17    |
| Project Expenditures (OSL Share)  |              | \$ -          | \$ 27,136.17    |
| Offsite Levy Receipts   | \$ -         |               | \$ 27,136.17    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ 27,136.17    |
| Debt Interest Accrued This Year   |              | \$ -          | \$ 27,136.17    |
| Interest on Project Expenditure   |              | \$ -          | \$ 27,136.17    |
| Interest on Offsite Levy Receipts   | \$ -         |               | \$ 27,136.17    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ 27,136.17    |
| Interest on Debt Interest   |              | \$ -          | \$ 27,136.17    |
| <b>2017</b>   |              |               | \$ 27,136.17    |
| Interest on Opening Balance   | \$ 271.36    |               | \$ 27,407.53    |
| Project Expenditures (OSL Share)  |              | \$ 256,189.30 | \$ (228,781.77) |
| Offsite Levy Receipts   | \$ 43,328.38 |               | \$ (185,453.39) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (185,453.39) |
| Debt Interest Accrued This Year   |              | \$ -          | \$ (185,453.39) |
| Interest on Project Expenditure   |              | \$ 1,665.23   | \$ (187,118.62) |
| Interest on Offsite Levy Receipts   | \$ 216.64    |               | \$ (186,901.98) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (186,901.98) |
| Interest on Debt Interest   |              | \$ -          | \$ (186,901.98) |
| <b>2018</b>   |              |               | \$ (186,901.98) |
| Interest on Opening Balance   |              | \$ 4,859.45   | \$ (191,761.43) |
| Project Expenditures (OSL Share)  |              | \$ 47,929.00  | \$ (239,690.43) |
| Offsite Levy Receipts   | \$ -         |               | \$ (239,690.43) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (239,690.43) |
| Debt Interest Accrued This Year   |              | \$ -          | \$ (239,690.43) |
| Interest on Project Expenditure   |              | \$ 311.54     | \$ (240,001.97) |
| Interest on Offsite Levy Receipts   | \$ -         |               | \$ (240,001.97) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (240,001.97) |
| Interest on Debt Interest   |              | \$ -          | \$ (240,001.97) |
| <b>2019</b>   |              |               | \$ (240,001.97) |
| Interest on Opening Balance   |              | \$ 6,240.05   | \$ (246,242.02) |
| Project Expenditures (OSL Share)  |              | \$ -          | \$ (246,242.02) |
| Offsite Levy Receipts   | \$ -         |               | \$ (246,242.02) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (246,242.02) |
| Debt Interest Accrued This Year   |              | \$ -          | \$ (246,242.02) |
| Interest on Project Expenditure   |              | \$ -          | \$ (246,242.02) |
| Interest on Offsite Levy Receipts   | \$ -         |               | \$ (246,242.02) |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |               | \$ (246,242.02) |
| Interest on Debt Interest   |              | \$ -          | \$ (246,242.02) |

**B9. Development and Water Infrastructure Staging Impacts**

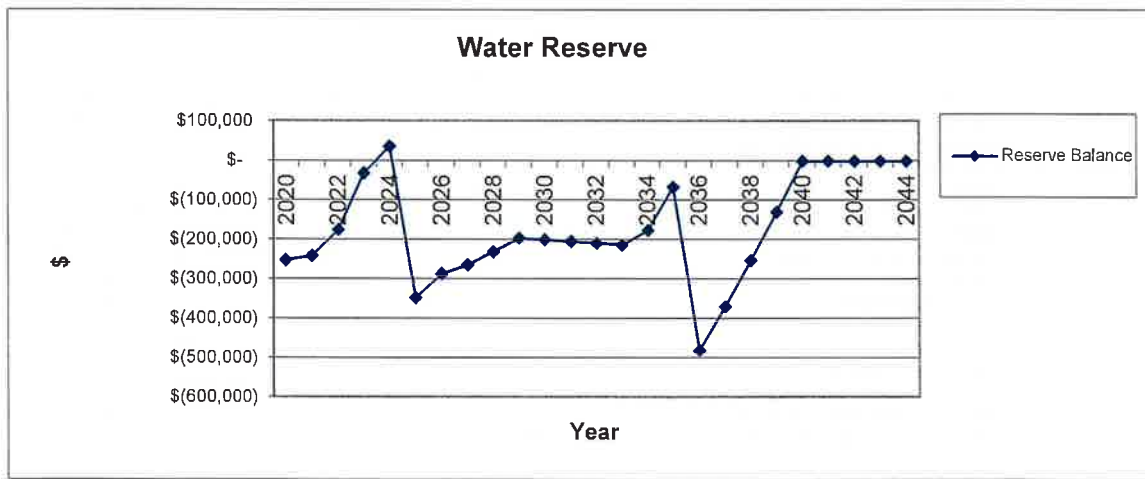
Water offsite infrastructure will be constructed in staged fashion over the 25-year review period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of water infrastructure from time to time—front ending of infrastructure will be required. A front-ender is the party that constructs and pays up front for infrastructure that benefits other parties.

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To compensate parties for capital they provide in front-ending offsite infrastructure construction, a 2.179%<sup>6</sup> interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a 1.00% interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast water levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the Town, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Water Offsite Levy Reserve Balances



<sup>6</sup> The 20-year debenture rate at the Alberta Capital Finance Authority at the time of writing.

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Anticipated Water Offsite Levy Reserve Balances

| Year | Receipts   | Expenditure | Opening Balance<br>Interest | \$ (246,242)<br>Balance |
|------|------------|-------------|-----------------------------|-------------------------|
| 2020 | \$ -       | \$ -        | \$ (5,366)                  | \$ (251,608)            |
| 2021 | \$ 15,815  | \$ -        | \$ (5,138)                  | \$ (240,931)            |
| 2022 | \$ 70,663  | \$ -        | \$ (3,710)                  | \$ (173,978)            |
| 2023 | \$ 144,153 | \$ -        | \$ (650)                    | \$ (30,475)             |
| 2024 | \$ 67,789  | \$ -        | \$ 373                      | \$ 37,687               |
| 2025 | \$ 118,021 | \$ 495,368  | \$ (7,401)                  | \$ (347,061)            |
| 2026 | \$ 67,422  | \$ -        | \$ (6,093)                  | \$ (285,732)            |
| 2027 | \$ 27,778  | \$ -        | \$ (5,621)                  | \$ (263,574)            |
| 2028 | \$ 38,148  | \$ -        | \$ (4,912)                  | \$ (230,338)            |
| 2029 | \$ 39,293  | \$ -        | \$ (4,163)                  | \$ (195,208)            |
| 2030 | \$ -       | \$ -        | \$ (4,254)                  | \$ (199,462)            |
| 2031 | \$ -       | \$ -        | \$ (4,346)                  | \$ (203,808)            |
| 2032 | \$ -       | \$ -        | \$ (4,441)                  | \$ (208,249)            |
| 2033 | \$ -       | \$ -        | \$ (4,538)                  | \$ (212,787)            |
| 2034 | \$ 40,665  | \$ -        | \$ (3,751)                  | \$ (175,872)            |
| 2035 | \$ 111,692 | \$ -        | \$ (1,398)                  | \$ (65,579)             |
| 2036 | \$ 115,043 | \$ 518,954  | \$ (10,230)                 | \$ (479,720)            |
| 2037 | \$ 118,494 | \$ -        | \$ (7,871)                  | \$ (369,097)            |
| 2038 | \$ 122,049 | \$ -        | \$ (5,383)                  | \$ (252,431)            |
| 2039 | \$ 125,710 | \$ -        | \$ (2,761)                  | \$ (129,482)            |
| 2040 | \$ 129,482 | \$ -        | \$ 0                        | \$ 0                    |
| 2041 | \$ -       | \$ -        | \$ 0                        | \$ 0                    |
| 2042 | \$ -       | \$ -        | \$ 0                        | \$ 0                    |
| 2043 | \$ -       | \$ -        | \$ 0                        | \$ 0                    |
| 2044 | \$ -       | \$ -        | \$ 0                        | \$ 0                    |

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## APPENDIX C: SANITARY OFFSITE INFRASTRUCTURE

### C1. Sanitary Offsite Infrastructure Costs

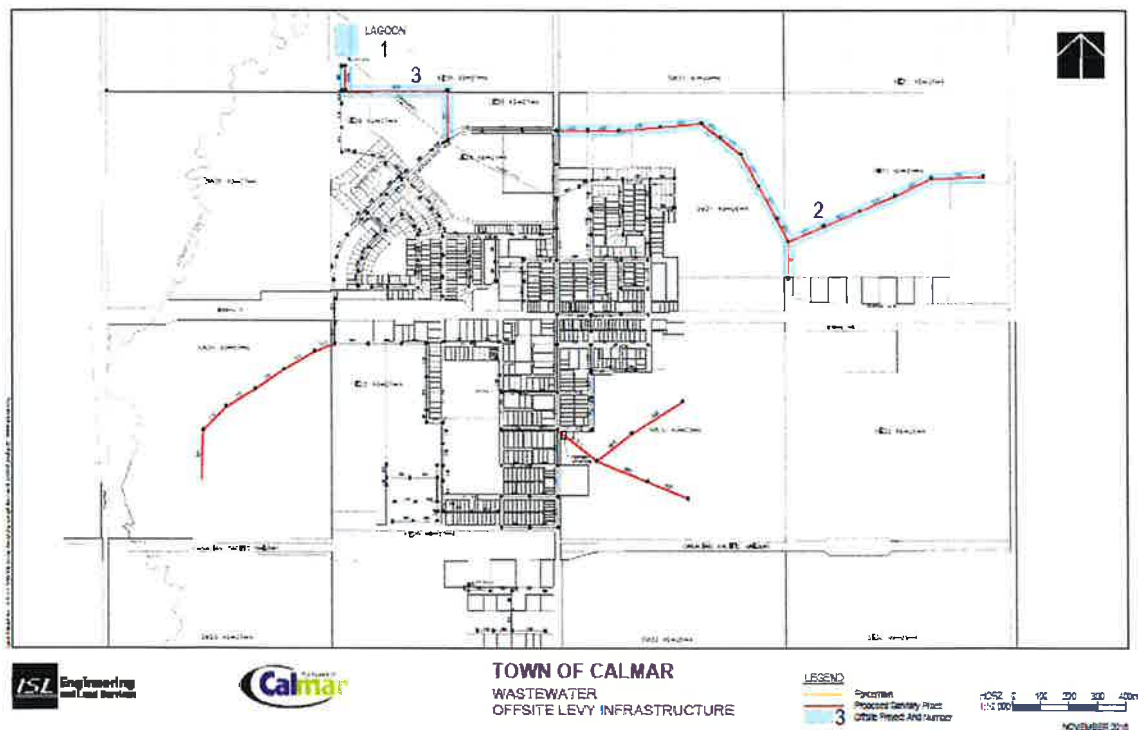
To support future growth, sanitary offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$7.75 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by Town engineering staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support future development during the 25-year review period. The remainder of this section outlines how the “net” costs for future development are determined.

Summary of Sanitary Offsite Infrastructure

| Item | Project Description     | Cost of Completed Work | Debenture Interest | Estimated Cost of Work Yet to be Completed | Total Project Estimated Cost |
|------|-------------------------|------------------------|--------------------|--|------------------------------|
| 1    | Sewage Lagoon Expansion | \$ 167,993             | \$ -               | \$ 5,700,000                               | \$ 5,867,993                 |
| 2    | NE Trunk to 50 Street   | \$ -                   | \$ -               | \$ 1,290,000                               | \$ 1,290,000                 |
| 3    | NW Relief Pipe          | \$ -                   | \$ -               | \$ 590,000                                 | \$ 590,000                   |
|      |                         | <b>\$ 167,993</b>      | <b>\$ -</b>        | <b>\$ 7,580,000</b>                        | <b>\$ 7,747,993</b>          |

A map showing the location of this infrastructure is shown below.

Location of Sanitary Offsite Infrastructure



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## C2. Sanitary Offsite Infrastructure Grants & Contributions to Date

The MGA enables the Town to allocate the costs of offsite infrastructure to future development, other than those costs that have been provided by way of special grant or contribution (i.e., contributed infrastructure). The Town of Calmar has/will receive **\$2.93 million** in special grants and contributions for sanitary offsite levy infrastructure as shown in the table below (note, if the Town receives additional grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$4.81 million**.

### Special Grants and Contributions for Sanitary Offsite Infrastructure

| Item | Project Description     | Total Project Estimated Cost | Special Grants      | Developer Agreement Contributions | Reduced Project Estimated Cost |
|------|-------------------------|------------------------------|---------------------|-----------------------------------|--------------------------------|
| 1    | Sewage Lagoon Expansion | \$ 5,867,993                 | \$ 2,933,996        | \$ -                              | \$ 2,933,996                   |
| 2    | NE Trunk to 50 Street   | \$ 1,290,000                 | \$ -                | \$ -                              | \$ 1,290,000                   |
| 3    | NW Relief Pipe          | \$ 590,000                   | \$ -                | \$ -                              | \$ 590,000                     |
|      |                         | <b>\$ 7,747,993</b>          | <b>\$ 2,933,996</b> | <b>\$ -</b>                       | <b>\$ 4,813,996</b>            |

\*The Town anticipates receiving a grant of 50% for Project 1.

## C3. Sanitary Infrastructure Staging

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The Town anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the Town's annual rate/bylaw updates.

### Sanitary Infrastructure Staging

| Item | Project Description     | Construction Start Year |
|------|-------------------------|-------------------------|
| 1    | Sewage Lagoon Expansion | 2011                    |
| 2    | NE Trunk to 50 Street   | Beyond 25 yrs           |
| 3    | NW Relief Pipe          | 2020                    |

\*Project costs are inflated by 2% per annum for the first 3-years and 3% per annum thereafter to the year of construction.

## C4. Sanitary Offsite Infrastructure Benefiting Parties

The sanitary offsite infrastructure previously outlined will benefit various parties to varying degrees as determined by the Town's staff. During this review three potential benefiting parties were identified including:

- Town of Calmar – a portion of the sanitary infrastructure which is required to service existing residents.
- Financial Oversizing – that portion of cost which benefits future development beyond

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the 25-year review period ("financial oversizing").

- **Town of Calmar Future Development** – all growth related infrastructure (i.e., levyable sanitary infrastructure costs) during the 25-year rate planning period.

The table below outlines the allocation of sanitary offsite levy infrastructure costs to benefiting parties. Project allocations were determined by Town staff.

Allocation of Sanitary Infrastructure to Benefiting Parties

| Item | Project Description     | Reduced Project Estimated Cost | Muni Share % | Developer Share Beyond 25 Yrs (Financial Oversizing %) | OSL / Developer Share % |
|------|-------------------------|--------------------------------|--------------|--|-------------------------|
| 1    | Sewage Lagoon Expansion | \$ 2,933,996                   |              | 0.0%   | 100.0%                  |
| 2    | NE Trunk to 50 Street   | \$ 1,290,000                   |              | 100.0%   | 0.0%                    |
| 3    | NW Relief Pipe          | \$ 590,000                     |              | 0.0%   | 100.0%                  |
|      |                         | <b>\$ 4,813,996</b>            |              |  |                         |

\*Allocations were determined by the Town.

\*\*Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations.

## C5. Existing Receipts & Adjusted Levy Cost

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$3.52 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. The Town has collected **\$271,332** in offsite levies to date. This results in an adjusted offsite levy cost of approximately **\$3.25 million**.

Offsite Levy Funds Collected to Date & Adjusted Levy Cost

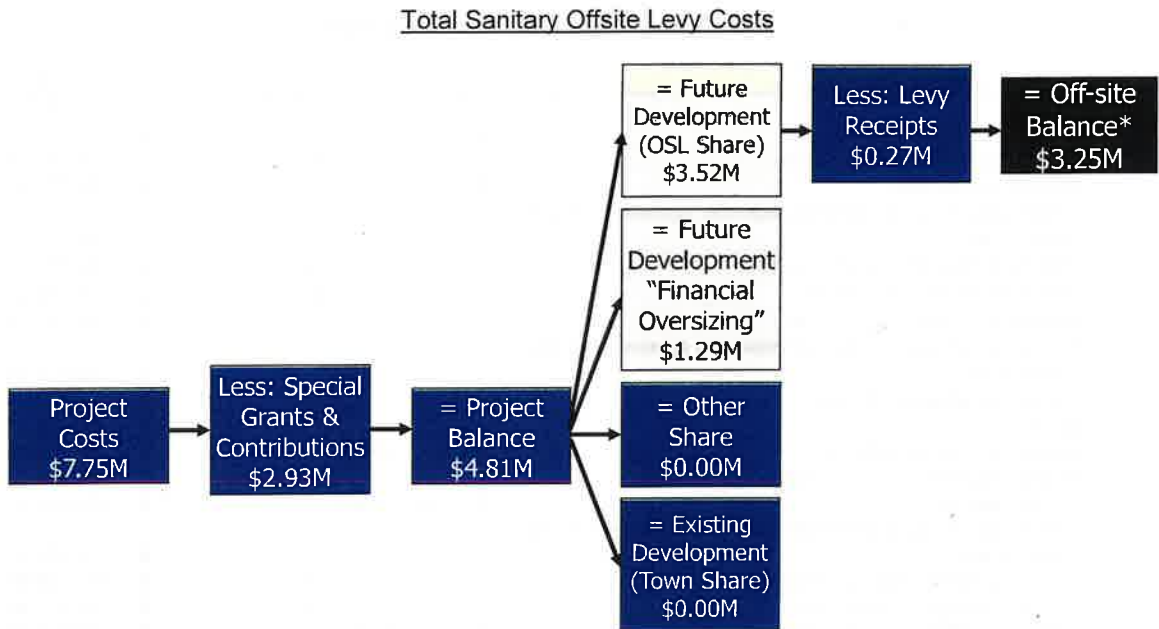
| Item | Project Description     | OSL / Developer Cost | Offsite Levy Funds Collected to Dec 31, 2015 | Offsite Levy Funds Collected Starting Jan 1, 2016 | Adjusted Developer (Levy) Cost |
|------|-------------------------|----------------------|--|---|--------------------------------|
| 1    | Sewage Lagoon Expansion | \$ 2,933,996         | \$ 225,010                                   | \$ 38,872   | \$ 2,670,114                   |
| 2    | NE Trunk to 50 Street   | \$ -                 | \$ -   | \$ -  | \$ -                           |
| 3    | NW Relief Pipe          | \$ 590,000           | \$ -   | \$ 7,450  | \$ 582,550                     |
|      |                         | <b>\$ 3,523,996</b>  | <b>\$ 225,010</b>                            | <b>\$ 46,322</b>                                  | <b>\$ 3,252,664</b>            |

## C6. Summary of Sanitary Offsite Levy Cost Flow-through

As shown in the figure below, the total costs for sanitary infrastructure that forms the basis of the rate is approximately **\$3.25 million**. The cost allocations to each benefiting party are based on the benefiting percentages shown in Section C4. The offsite levy balance (due from developers) is allocated to various benefiting areas (as described in the next section).

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## C7. Sanitary Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a "1" below applicable area numbers. Benefiting areas were determined by Town staff. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Benefiting Areas for Sanitary Offsite Infrastructure

| Item | Project Description     | Developer Cost | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 | 2.1 | 2.2 | 2.3 | 2.4 | 2.5 | 3.1 | 3.2 | 3.3 | 3.4 | 3.5 | 4.1 | 4.2 | 4.3 | 4.4 | 4.5 |
|------|-------------------------|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Sewage Lagoon Expansion | \$ 2,670,114   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | NE Trunk to 50 Street   | \$ -           |     |     |     |     |     | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |     |     |     |     |     |
| 3    | NW Relief Pipe          | \$ 582,550     | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
|      |                         | \$ 3,252,664   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

| Item | Project Description     | Developer Cost | 5.1 | 5.2 | 5.3 | 5.4 | 5.5 | 6.1 | 6.2 | 6.3 | 6.4 | 6.5 | 7.1 | 7.2 | 7.3 | 7.4 | 7.5 | 8.1 | 8.2 | 8.3 | 8.4 | 8.5 | 9.1 | 9.2 | 9.3 | 9.4 | 9.5 |
|------|-------------------------|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Sewage Lagoon Expansion | \$ 2,670,114   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | NE Trunk to 50 Street   | \$ -           |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 3    | NW Relief Pipe          | \$ 582,550     | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
|      |                         | \$ 3,252,664   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

## C8. Reserve Balance

At December 31<sup>st</sup>, 2019, the balance of the Town's sanitary reserve is **\$109,073**, as shown in the table below. This amount takes into consideration expenditures up to end-2019 and assumes that front-ending debts (if any) will be drawn down via a withdrawal of excess cash in the reserve/account.

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Sanitary Offsite Levy Reserve Balance

|   |    |           |    |               |
|---|----|-----------|----|---------------|
| <b>Opening Balance</b>  |    |           | \$ | 59,180.43     |
| <b>2016</b>   |    |           | \$ | 59,180.43     |
| Interest on Opening Balance   | \$ | 591.80    | \$ | 59,772.23     |
| Project Expenditures (OSL Share)  |    | \$        | -  | \$ 59,772.23  |
| Offsite Levy Receipts   | \$ | -         | \$ | 59,772.23     |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 59,772.23     |
| Debenture Interest Accrued This Year                                      |    | \$        | -  | \$ 59,772.23  |
| Interest on Project Expenditure   |    | \$        | -  | \$ 59,772.23  |
| Interest on Offsite Levy Receipts   | \$ | -         | \$ | 59,772.23     |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 59,772.23     |
| Interest on Debenture Interest  |    | \$        | -  | \$ 59,772.23  |
| <b>2017</b>   |    |           | \$ | 59,772.23     |
| Interest on Opening Balance   | \$ | 597.72    | \$ | 60,369.95     |
| Project Expenditures (OSL Share)  |    | \$        | -  | \$ 60,369.95  |
| Offsite Levy Receipts   | \$ | 46,322.48 | \$ | 106,692.43    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 106,692.43    |
| Debenture Interest Accrued This Year                                      |    | \$        | -  | \$ 106,692.43 |
| Interest on Project Expenditure   |    | \$        | -  | \$ 106,692.43 |
| Interest on Offsite Levy Receipts   | \$ | 231.61    | \$ | 106,924.05    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 106,924.05    |
| Interest on Debenture Interest  |    | \$        | -  | \$ 106,924.05 |
| <b>2018</b>   |    |           | \$ | 106,924.05    |
| Interest on Opening Balance   | \$ | 1,069.24  | \$ | 107,993.29    |
| Project Expenditures (OSL Share)  |    | \$        | -  | \$ 107,993.29 |
| Offsite Levy Receipts   | \$ | -         | \$ | 107,993.29    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 107,993.29    |
| Debenture Interest Accrued This Year                                      |    | \$        | -  | \$ 107,993.29 |
| Interest on Project Expenditure   |    | \$        | -  | \$ 107,993.29 |
| Interest on Offsite Levy Receipts   | \$ | -         | \$ | 107,993.29    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 107,993.29    |
| Interest on Debenture Interest  |    | \$        | -  | \$ 107,993.29 |
| <b>2019</b>   |    |           | \$ | 107,993.29    |
| Interest on Opening Balance   | \$ | 1,079.93  | \$ | 109,073.22    |
| Project Expenditures (OSL Share)  |    | \$        | -  | \$ 109,073.22 |
| Offsite Levy Receipts   | \$ | -         | \$ | 109,073.22    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 109,073.22    |
| Debenture Interest Accrued This Year                                      |    | \$        | -  | \$ 109,073.22 |
| Interest on Project Expenditure   |    | \$        | -  | \$ 109,073.22 |
| Interest on Offsite Levy Receipts   | \$ | -         | \$ | 109,073.22    |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ | -         | \$ | 109,073.22    |
| Interest on Debenture Interest  |    | \$        | -  | \$ 109,073.22 |

**C9. Development and Sanitary Infrastructure Staging Impacts**

Sanitary offsite infrastructure will be constructed in staged fashion over the 25-year development period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of sanitary infrastructure from time to time—front ending of

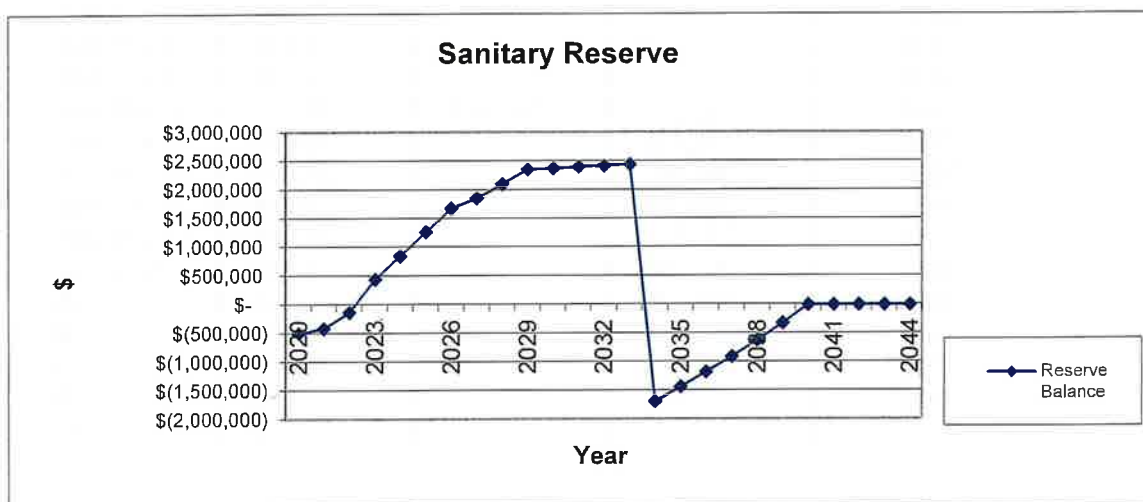
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infrastructure will be required. A front-end is the party that constructs and pays up front for infrastructure that benefits other parties.

In order to compensate parties for capital they provide in front-ending offsite infrastructure construction, a **2.179%**<sup>7</sup> interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **1.00%** interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast water levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the Town, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Sanitary Offsite Levy Reserve Balances



<sup>7</sup> The 20-year debenture rate at the Alberta Capital Finance Authority at the time of writing.

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Anticipated Sanitary Offsite Levy Reserve Balances

| Year | Receipts   | Expenditure  | Opening Balance |            | Balance     |
|------|------------|--------------|-----------------|------------|-------------|
|      |            |              |                 | \$ 109,073 |             |
| 2020 | \$ -       | \$ 590,000   | \$ (10,479)     | \$         | (491,406)   |
| 2021 | \$ 91,922  | \$ -         | \$ (8,705)      | \$         | (408,189)   |
| 2022 | \$ 281,280 | \$ -         | \$ (2,765)      | \$         | (129,675)   |
| 2023 | \$ 573,812 | \$ -         | \$ 4,441        | \$         | 448,578     |
| 2024 | \$ 394,017 | \$ -         | \$ 8,426        | \$         | 851,022     |
| 2025 | \$ 405,838 | \$ -         | \$ 12,569       | \$         | 1,269,428   |
| 2026 | \$ 391,887 | \$ -         | \$ 16,613       | \$         | 1,677,928   |
| 2027 | \$ 161,457 | \$ -         | \$ 18,394       | \$         | 1,857,779   |
| 2028 | \$ 221,735 | \$ -         | \$ 20,795       | \$         | 2,100,310   |
| 2029 | \$ 228,387 | \$ -         | \$ 23,287       | \$         | 2,351,984   |
| 2030 | \$ -       | \$ -         | \$ 23,520       | \$         | 2,375,503   |
| 2031 | \$ -       | \$ -         | \$ 23,755       | \$         | 2,399,258   |
| 2032 | \$ -       | \$ -         | \$ 23,993       | \$         | 2,423,251   |
| 2033 | \$ -       | \$ -         | \$ 24,233       | \$         | 2,447,483   |
| 2034 | \$ 99,286  | \$ 4,180,626 | \$ (35,602)     | \$         | (1,669,458) |
| 2035 | \$ 272,706 | \$ -         | \$ (30,435)     | \$         | (1,427,187) |
| 2036 | \$ 280,887 | \$ -         | \$ (24,978)     | \$         | (1,171,278) |
| 2037 | \$ 289,314 | \$ -         | \$ (19,218)     | \$         | (901,182)   |
| 2038 | \$ 297,993 | \$ -         | \$ (13,143)     | \$         | (616,332)   |
| 2039 | \$ 306,933 | \$ -         | \$ (6,742)      | \$         | (316,141)   |
| 2040 | \$ 316,141 | \$ -         | \$ (0)          | \$         | (0)         |
| 2041 | \$ -       | \$ -         | \$ (0)          | \$         | (0)         |
| 2042 | \$ -       | \$ -         | \$ (0)          | \$         | (0)         |
| 2043 | \$ -       | \$ -         | \$ (0)          | \$         | (0)         |
| 2044 | \$ -       | \$ -         | \$ (0)          | \$         | (0)         |

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## APPENDIX D: TRANSPORTATION OFFSITE INFRASTRUCTURE

### D1. Transportation Offsite Infrastructure Costs

To support future growth, transportation offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$11.00 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by Town staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support future development during the 25-year review period. The remainder of this section outlines how the “net” costs for future development are determined.

Summary of Transportation Offsite Infrastructure

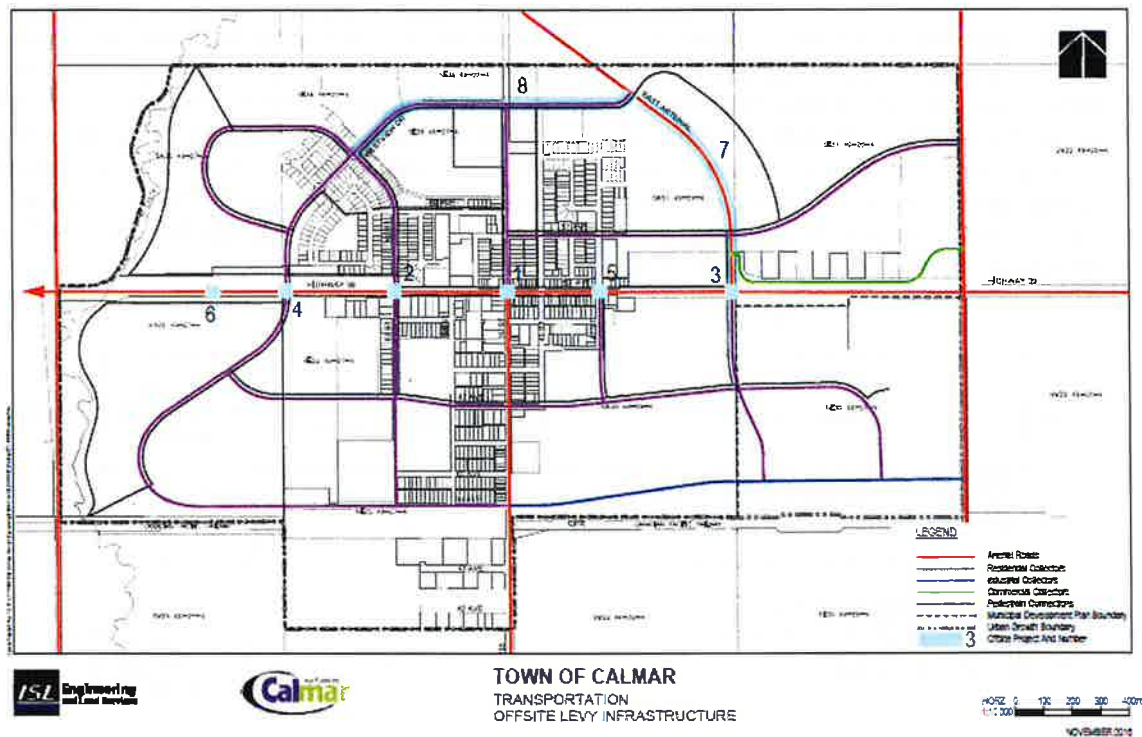
| Item | Project Description   | Cost of Completed Work | Debenture Interest | Estimated Cost of Work Yet to be Completed | Total Project Cost |
|------|---|------------------------|--------------------|--|--------------------|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ -                   | \$ -               | \$ 400,000                                 | \$ 400,000         |
| 7    | East Arterial Road  | \$ -                   | \$ -               | \$ 3,800,000                               | \$ 3,800,000       |
| 8    | Northwest Collector Road  | \$ -                   | \$ -               | \$ 4,800,000                               | \$ 4,800,000       |
|      |   | \$ -                   | \$ -               | \$ 11,000,000                              | \$ 11,000,000      |

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A map showing the location of this infrastructure is shown below.

Location of Transportation Offsite Infrastructure



## D2. Transportation Offsite Infrastructure Grants & Contributions to Date

The MGA enables the Town to allocate the costs of offsite infrastructure to future development, other than those costs that have been provided by way of special grant or contribution (i.e., contributed infrastructure). The Town of Calmar has/will receive **\$0.00** in special grants and contributions for transportation offsite levy infrastructure as shown in the table below (note, if the Town receives other grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$11.00 million**.

Special Grants and Contributions for Transportation Offsite Infrastructure

| Item | Project Description   | Total Project Cost   | Special Provincial Grants | Developer Agreement Contributions | Reduced Project Cost |
|------|---|----------------------|---------------------------|-----------------------------------|----------------------|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ 400,000           | \$ -                      | \$ -                              | \$ 400,000           |
| 7    | East Arterial Road  | \$ 3,800,000         | \$ -                      | \$ -                              | \$ 3,800,000         |
| 8    | Northwest Collector Road  | \$ 4,800,000         | \$ -                      | \$ -                              | \$ 4,800,000         |
|      |   | <b>\$ 11,000,000</b> | <b>\$ -</b>               | <b>\$ -</b>                       | <b>\$ 11,000,000</b> |

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### D3. Transportation Infrastructure Staging

The timing of construction is used to determine the impact of inflation (on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The Town anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the Town's annual rate/bylaw updates.

Transportation Infrastructure Staging

| Item | Project Description   | Construction Start Year |
|------|---|-------------------------|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | 2020                    |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | 2030                    |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | 2025                    |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | 2022                    |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | 2032                    |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | 2027                    |
| 7    | East Arterial Road  | 2035                    |
| 8    | Northwest Collector Road  | 2035                    |

\*Project costs are inflated by 2% per annum for the first 3-years and 3% per annum thereafter to the year of construction.

### D4. Transportation Offsite Infrastructure Benefiting Parties

The transportation offsite infrastructure previously outlined will benefit various parties to varying degrees as determined by the Town. During this review three potential benefiting parties were identified including:

- Town of Calmar – a portion of the transportation infrastructure which is required to service existing residents.
- Financial Oversizing – that portion of cost which benefits future development beyond the 25-year review period ("financial oversizing").
- Town of Calmar Future Development – all growth related infrastructure (i.e., levyable transportation infrastructure costs) during the 25-year rate planning period.

The table below outlines the allocation of transportation offsite levy infrastructure costs to benefiting parties. Project allocations were determined by Town staff.

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Allocation of Transportation Infrastructure to Benefiting Parties

| Item | Project Description   | Reduced Project Cost | Muni Share % | Developer Share Beyond 25 Yrs (Financial Oversizing %) | OSL / Developer Share % |
|------|---|----------------------|--------------|--|-------------------------|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ 400,000           | 45.0%        | 0.0%   | 55.0%                   |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ 400,000           | 45.0%        | 22.0%  | 33.0%                   |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ 400,000           | 45.0%        | 11.0%  | 44.0%                   |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ 400,000           | 45.0%        | 4.4%   | 50.6%                   |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ 400,000           | 45.0%        | 26.4%  | 28.6%                   |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ 400,000           | 45.0%        | 15.4%  | 39.6%                   |
| 7    | East Arterial Road  | \$ 3,800,000         | 45.0%        | 33.0%  | 22.0%                   |
| 8    | Northwest Collector Road  | \$ 4,800,000         | 45.0%        | 33.0%  | 22.0%                   |
|      |   | <b>\$ 11,000,000</b> |              |  |                         |

\*Allocations were determined by the Town.

\*\*Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations.

**D5. Existing Receipts & Adjusted Levy Cost**

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$2.90 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. The Town has collected **\$44,030** in offsite levies to date. This results in an adjusted offsite levy cost of approximately **\$2.85 million**.

Offsite Levy Funds Collected to Date & Adjusted Levy Cost

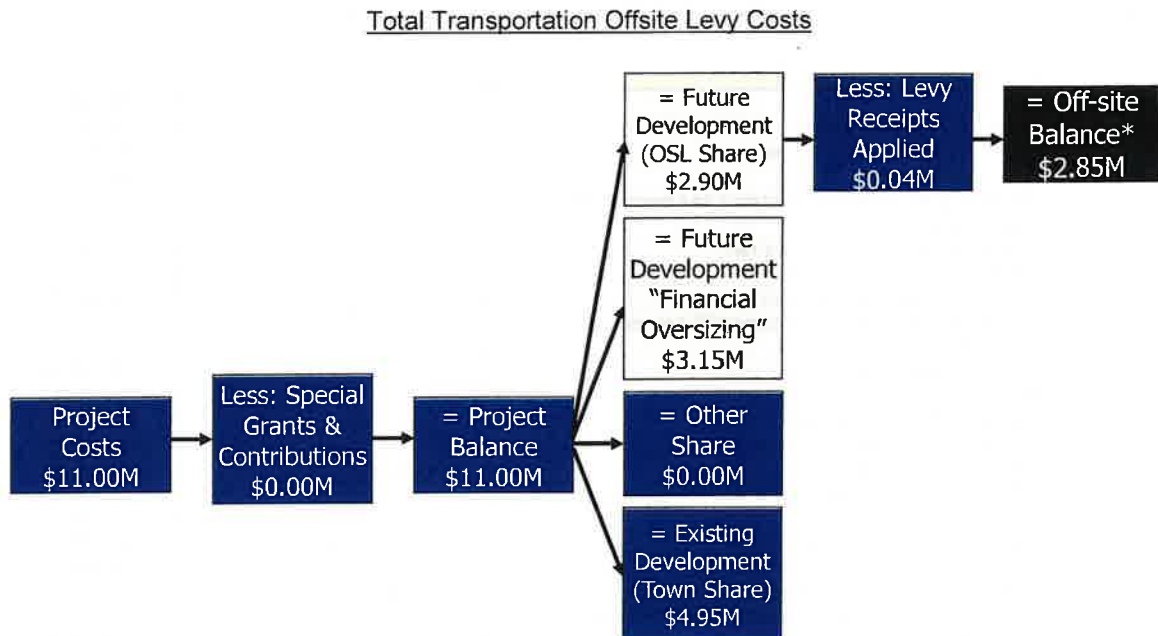
| Item | Project Description   | OSL / Developer Cost | Offsite Levy Funds Collected to Dec 31, 2015 | Offsite Levy Funds Collected Starting Jan 1, 2016 | Adjusted Developer (Levy) Cost |
|------|---|----------------------|--|---|--------------------------------|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ 220,000           | \$ 8,778                                     | \$ 1,485  | \$ 209,736                     |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ 132,000           | \$ 4,598                                     | \$ 778  | \$ 126,624                     |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ 176,000           | \$ 6,688                                     | \$ 1,131  | \$ 168,180                     |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ 202,400           | \$ 7,942                                     | \$ 1,344  | \$ 193,114                     |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ 114,400           | \$ -   | \$ 668  | \$ 113,732                     |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ 158,400           | \$ -   | \$ 1,039  | \$ 157,361                     |
| 7    | East Arterial Road  | \$ 836,000           | \$ -   | \$ 4,232  | \$ 831,768                     |
| 8    | Northwest Collector Road  | \$ 1,056,000         | \$ -   | \$ 5,345  | \$ 1,050,655                   |
|      |   | <b>\$ 2,895,200</b>  | <b>\$ 28,008</b>                             | <b>\$ 16,023</b>                                  | <b>\$ 2,851,170</b>            |

**D6. Summary of Transportation Offsite Levy Cost Flow-through**

As shown in the figure below, the total cost for transportation infrastructure that forms the basis of the rate is approximately **\$2.85 million**. The cost allocations to each benefiting party are based on the benefiting percentages shown in Section D4. The offsite levy balance (due from developers) is allocated to various benefiting areas (as described in the next section).

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## D7. Transportation Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a "1" below applicable area numbers. Benefiting areas were determined by Town staff. The lands anticipated to develop over the 25-years in each offsite levy benefitting area are used to determine rates.

Benefiting Areas for Transportation Offsite Infrastructure

| Item | Project Description   | Developer Cost      | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 | 2.1 | 2.2 | 2.3 | 2.4 | 2.5 | 3.1 | 3.2 | 3.3 | 3.4 | 3.5 | 4.1 | 4.2 | 4.3 | 4.4 | 4.5 |
|------|---|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ 209,736          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ 126,624          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ 168,180          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ 193,114          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ 113,732          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ 157,361          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 7    | East Arterial Road  | \$ 831,768          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 8    | Northwest Collector Road  | \$ 1,050,655        | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
|      |   | <b>\$ 2,851,170</b> |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

| Item | Project Description   | Developer Cost      | 5.1 | 5.2 | 5.3 | 5.4 | 5.5 | 6.1 | 6.2 | 6.3 | 6.4 | 6.5 | 7.1 | 7.2 | 7.3 | 7.4 | 7.5 | 8.1 | 8.2 | 8.3 | 8.4 | 8.5 | 9.1 | 9.2 | 9.3 | 9.4 | 9.5 |
|------|---|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1    | Traffic Signals at 50 Ave & 50 St (Hwy 39 & Hwy 795)                | \$ 209,736          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 2    | Traffic Signals at 50 Ave & 52 St (Hwy 39 & 52 St)                  | \$ 126,624          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 3    | Traffic Signals at 50 Ave & East Arterial (Hwy 39 & 45 Street)      | \$ 168,180          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 4    | Traffic Signals at 50 Ave & West Arterial (Hwy 39 & Westview Drive) | \$ 193,114          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 5    | Traffic Signals at 50 Ave and 47 Street                             | \$ 113,732          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 6    | Traffic Signals at 50 Ave, west of Westview                         | \$ 157,361          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 7    | East Arterial Road  | \$ 831,768          | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
| 8    | Northwest Collector Road  | \$ 1,050,655        | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   |
|      |   | <b>\$ 2,851,170</b> |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

## D8. Reserve Balance

At December 31<sup>st</sup>, 2019, the balance of the Town's transportation reserve is **\$46,697**, as shown in the table below. This amount takes into consideration expenditures up to end-2019 and assumes that front-ending debts (if any) will be drawn down via a withdrawal of excess cash in the reserve/account.

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Transportation Offsite Levy Reserve Balance

|   |              |      |                     |
|---|--------------|------|---------------------|
| <b>Opening Balance</b>  |              |      | <b>\$ 29,089.23</b> |
| <b>2016</b>   |              |      | <b>\$ 29,089.23</b> |
| Interest on Opening Balance   | \$ 290.89    |      | \$ 29,380.12        |
| Project Expenditures (OSL Share)  |              | \$ - | \$ 29,380.12        |
| Offsite Levy Receipts   | \$ -         |      | \$ 29,380.12        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 29,380.12        |
| Debt Interest Accrued This Year   |              | \$ - | \$ 29,380.12        |
| Interest on Project Expenditure   |              | \$ - | \$ 29,380.12        |
| Interest on Offsite Levy Receipts   | \$ -         |      | \$ 29,380.12        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 29,380.12        |
| Interest on Debt Interest   |              | \$ - | \$ 29,380.12        |
| <b>2017</b>   |              |      | <b>\$ 29,380.12</b> |
| Interest on Opening Balance   | \$ 293.80    |      | \$ 29,673.92        |
| Project Expenditures (OSL Share)  |              | \$ - | \$ 29,673.92        |
| Offsite Levy Receipts   | \$ 16,022.85 |      | \$ 45,696.77        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 45,696.77        |
| Debt Interest Accrued This Year   |              | \$ - | \$ 45,696.77        |
| Interest on Project Expenditure   |              | \$ - | \$ 45,696.77        |
| Interest on Offsite Levy Receipts   | \$ 80.11     |      | \$ 45,776.89        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 45,776.89        |
| Interest on Debt Interest   |              | \$ - | \$ 45,776.89        |
| <b>2018</b>   |              |      | <b>\$ 45,776.89</b> |
| Interest on Opening Balance   | \$ 457.77    |      | \$ 46,234.66        |
| Project Expenditures (OSL Share)  |              | \$ - | \$ 46,234.66        |
| Offsite Levy Receipts   | \$ -         |      | \$ 46,234.66        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 46,234.66        |
| Debt Interest Accrued This Year   |              | \$ - | \$ 46,234.66        |
| Interest on Project Expenditure   |              | \$ - | \$ 46,234.66        |
| Interest on Offsite Levy Receipts   | \$ -         |      | \$ 46,234.66        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 46,234.66        |
| Interest on Debt Interest   |              | \$ - | \$ 46,234.66        |
| <b>2019</b>   |              |      | <b>\$ 46,234.66</b> |
| Interest on Opening Balance   | \$ 462.35    |      | \$ 46,697.00        |
| Project Expenditures (OSL Share)  |              | \$ - | \$ 46,697.00        |
| Offsite Levy Receipts   | \$ -         |      | \$ 46,697.00        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 46,697.00        |
| Debt Interest Accrued This Year   |              | \$ - | \$ 46,697.00        |
| Interest on Project Expenditure   |              | \$ - | \$ 46,697.00        |
| Interest on Offsite Levy Receipts   | \$ -         |      | \$ 46,697.00        |
| Offsite Levy Receipts Collected Under Old Agreement or Old Bylaw (if any) | \$ -         |      | \$ 46,697.00        |
| Interest on Debt Interest   |              | \$ - | \$ 46,697.00        |

**D9. Development and Transportation Infrastructure Staging Impacts**

Transportation offsite infrastructure will be constructed in staged fashion over the 25-year review period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of transportation infrastructure from time to time—front ending of infrastructure will be required. A front-end is the party that constructs and pays up front for infrastructure that benefits other parties.

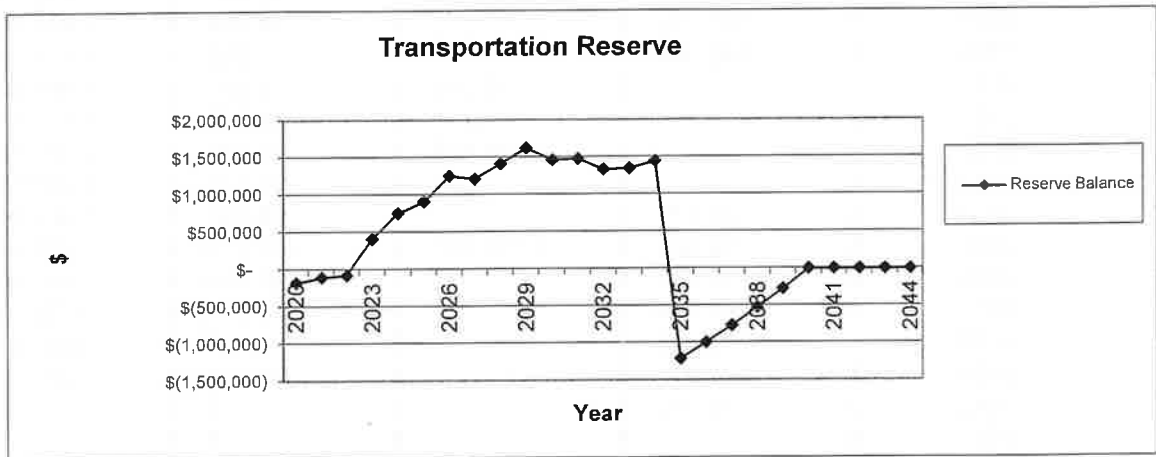
In order to compensate parties for capital they provide in front-ending offsite infrastructure

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construction, a **2.179%**<sup>8</sup> interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **1.00%** interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast transportation levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the Town, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Transportation Offsite Levy Reserve Balances



<sup>8</sup> The 20-year debenture rate at the Alberta Capital Finance Authority at the time of writing.

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Town of Calmar Offsite Levy Rate Update

Anticipated Transportation Offsite Levy Reserve Balances

| Reserve Balance |            |              |             |                | \$ 46,697 |
|-----------------|------------|--------------|-------------|----------------|-----------|
| Year            | Receipts   | Expenditure  | Interest    | Balance        |           |
| 2020            | \$ -       | \$ 220,000   | \$ (3,776)  | \$ (177,079)   |           |
| 2021            | \$ 77,840  | \$ -         | \$ (2,162)  | \$ (101,402)   |           |
| 2022            | \$ 238,190 | \$ 210,577   | \$ (1,608)  | \$ (75,397)    |           |
| 2023            | \$ 485,907 | \$ -         | \$ 4,105    | \$ 414,615     |           |
| 2024            | \$ 333,656 | \$ -         | \$ 7,483    | \$ 755,753     |           |
| 2025            | \$ 343,666 | \$ 198,147   | \$ 9,013    | \$ 910,285     |           |
| 2026            | \$ 331,852 | \$ -         | \$ 12,421   | \$ 1,254,558   |           |
| 2027            | \$ 136,723 | \$ 189,193   | \$ 12,021   | \$ 1,214,109   |           |
| 2028            | \$ 187,766 | \$ -         | \$ 14,019   | \$ 1,415,894   |           |
| 2029            | \$ 193,399 | \$ -         | \$ 16,093   | \$ 1,625,387   |           |
| 2030            | \$ -       | \$ 172,280   | \$ 14,531   | \$ 1,467,638   |           |
| 2031            | \$ -       | \$ -         | \$ 14,676   | \$ 1,482,314   |           |
| 2032            | \$ -       | \$ 158,402   | \$ 13,239   | \$ 1,337,151   |           |
| 2033            | \$ -       | \$ -         | \$ 13,372   | \$ 1,350,522   |           |
| 2034            | \$ 84,076  | \$ -         | \$ 14,346   | \$ 1,448,944   |           |
| 2035            | \$ 230,929 | \$ 2,862,651 | \$ (25,773) | \$ (1,208,550) |           |
| 2036            | \$ 237,857 | \$ -         | \$ (21,151) | \$ (991,844)   |           |
| 2037            | \$ 244,993 | \$ -         | \$ (16,274) | \$ (763,126)   |           |
| 2038            | \$ 252,342 | \$ -         | \$ (11,130) | \$ (521,914)   |           |
| 2039            | \$ 259,913 | \$ -         | \$ (5,709)  | \$ (267,710)   |           |
| 2040            | \$ 267,710 | \$ -         | \$ 0        | \$ 0           |           |
| 2041            | \$ -       | \$ -         | \$ 0        | \$ 0           |           |
| 2042            | \$ -       | \$ -         | \$ 0        | \$ 0           |           |
| 2043            | \$ -       | \$ -         | \$ 0        | \$ 0           |           |
| 2044            | \$ -       | \$ -         | \$ 0        | \$ 0           |           |

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## APPENDIX E: RATE COMPARISONS

The table below compares the weighted average offsite levy rate in the Town to rates in other municipalities.

| Municipality / Area                                      | Average Per Ha. |
|--|-----------------|
| Town of Stony Plain (2007)                               | \$69,000        |
| Town of Edson* (not incl drainage)                       | \$77,400        |
| City of Spruce Grove (not incl drainage) (being updated) | \$80,000        |
| Sturgeon County Industrial Park* (not incl drainage)     | \$80,700        |
| Red Deer County (Gasline Alley)                          | \$96,500        |
| Town of Calmar*  | \$95,700        |
| City of Fort Saskatchewan (South Fort)                   | \$104,140       |
| Town of Redcliff*  | \$109,200       |
| Leduc County* (2009)                                     | \$106,300       |
| Town of Devon*   | \$119,960       |
| City of Leduc*   | \$117,500       |
| Town of High River                                       | \$130,000       |
| City of Cold Lake* (in process)                          | \$140,530       |
| City of Chestermere* (in process)                        | \$145,524       |
| Town of Beaumont*  | \$161,000       |
| Town of Cochrane   | ~\$180,000      |
| City of Red Deer   | \$203,300       |
| City of Lethbridge                                       | \$249,000       |
| City of Medicine Hat* (subsidy)                          | \$250,000       |
| City of St. Albert*                                      | \$290,000       |
| City of Edmonton   | +\$300,000      |
| City of Calgary (incl rec & stabilization)               | +\$350,000      |

\* CORVUS Clients

\*\*Based on available information on municipal websites end-2019.

WJL  
KK